

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐  
(highlight changes)

<b>APPLICATION FOR PERMIT TO DRILL</b>				5. MINERAL LEASE NO: <b>UTU-84050</b>	6. SURFACE: <b>Federal</b>
1A. TYPE OF WORK: <b>DRILL</b> <input checked="" type="checkbox"/> <b>REENTER</b> <input type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>n/a</b>	
B. TYPE OF WELL: <b>OIL</b> <input checked="" type="checkbox"/> <b>GAS</b> <input type="checkbox"/> <b>OTHER</b> _____ <b>SINGLE ZONE</b> <input checked="" type="checkbox"/> <b>MULTIPLE ZONE</b> <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: <b>n/a</b>	
2. NAME OF OPERATOR: <b>Delta Petroleum Corporation</b>				9. WELL NAME and NUMBER: <b>Greentown Federal 31-262116</b>	
3. ADDRESS OF OPERATOR: <b>370 17th Street, #4300</b> CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80202</b>			PHONE NUMBER: <b>(303) 575-0323</b>		
4. LOCATION OF WELL (FOOTAGES)  AT SURFACE: <b>854' FNL - 1,996' FEL</b> <i>576105X    38.962584</i> AT PROPOSED PRODUCING ZONE: <b>Same as Surface</b> <i>4312784Y    -110.121596</i>				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 26 21S 16E</b>	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: <b>Approximately 3 Miles Southeast of Green River, Utah</b>				12. COUNTY: <b>Grand</b>	
				13. STATE: <b>UTAH</b>	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) <b>2,215'</b>		16. NUMBER OF ACRES IN LEASE: <b>1,560</b>		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: <b>40</b>	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) <b>2,630'</b>		19. PROPOSED DEPTH: <b>10,250</b>		20. BOND DESCRIPTION: <b>BLM Bond #UTB000200</b>	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): <b>4,304' - GR</b>		22. APPROXIMATE DATE WORK WILL START: <b>9/5/2007</b>		23. ESTIMATED DURATION: <b>60-90 days</b>	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT				
30"	24" conductor	40	Redi Mix				
20"	16" 65# H-40 STC	1,450	Tail: 1500 sxs	Type G	1.16 yld	15.6#	
16-3/4"	10-3/4" 45.5 N-80 STC	5,800	Lead: 1835 sx	85/15/8	2.14 yld	12.5#	
			Tail: 600 sx	Type III	1.41 yld	14.6#	
9-7/8"	7" 35# P-110 LTC	10,250	Lead: 150 sx	50/50/6PozG	1.5 yld	13.5#	
			Tail: 1460 sx	G	1.3 yld	14.8#	

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER  <input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN  <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Terry L. Hoffman    TITLE Regulatory Manager

SIGNATURE *Terry L. Hoffman*    DATE 7/5/2007

(This space for State use only)

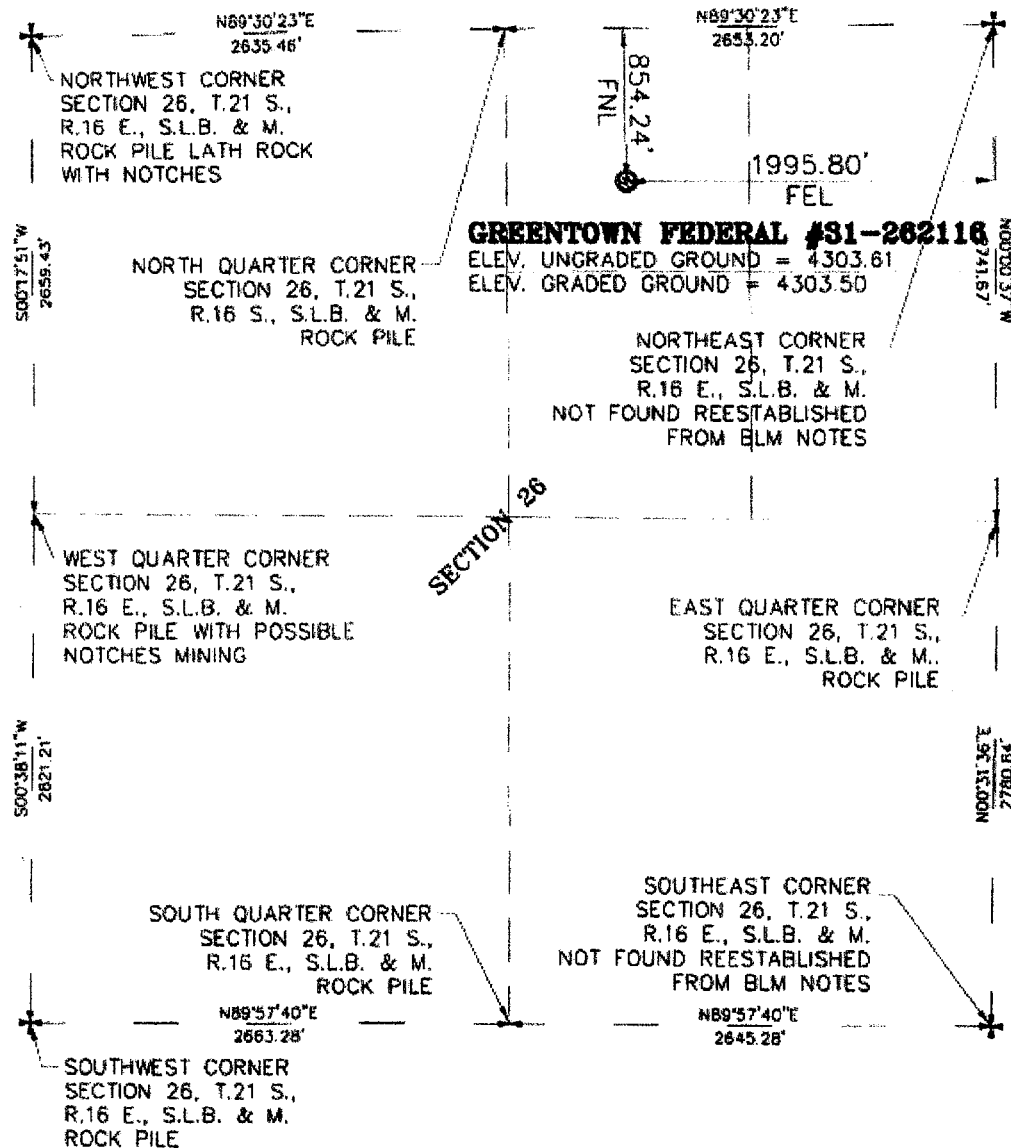
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**RECEIVED  
JUL 09 2007**

API NUMBER ASSIGNED: 43-019-31548

APPROVAL:  
Date: 07-12-07    DIV. OF OIL, GAS & MINING  
By: *[Signature]*    **CONFIDENTIAL**

# SECTION 26, T.21 S., R.16 E., S.L.B. & M.



## PROJECT

### DELTA PETROLEUM CORPORATION

WELL LOCATION, LOCATED AS SHOWN  
IN THE NW 1/4 OF THE NE 1/4 OF  
SECTION 26, T.21 S., R.16 E., S.L.B. & M.  
GRAND COUNTY, UTAH

## LEGEND



SECTION CORNER AS NOTED  
QUARTER CORNER AS NOTED  
PROPOSED WELL LOCATION

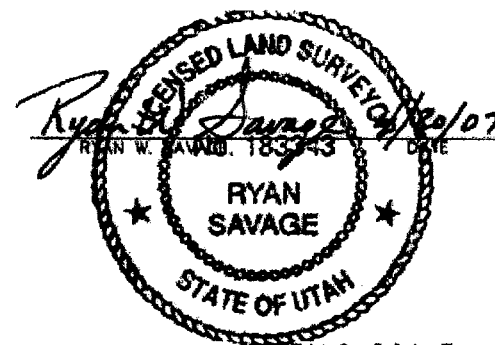
NOTE: THE PURPOSE OF THIS SURVEY WAS TO PLAT  
GREENTOWN FEDERAL #31-26116 WELL  
LOCATED IN THE NW 1/4 OF THE NE 1/4 OF  
SECTION 26, T.21 S., R.16 E., S.L.B. & M.  
GRAND COUNTY, UTAH.

## BASIS OF ELEVATION

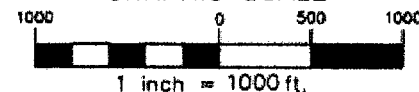
ELEVATION BASED ON TRIANGULATION STATION ABRES  
LOCATED IN THE SE 1/4 OF SECTION 26, T.21 S.,  
R.16 E., S.L.B. & M.  
ELEVATION USED 4451.95

## CERTIFICATE

THIS IS TO CERTIFY THAT THIS PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME UNDER  
MY SUPERVISION, AND THAT THE SAME ARE TRUE AND  
CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



## GRAPHIC SCALE



## BASIS OF BEARING

BASIS OF BEARING USED WAS N89°30'23"E BETWEEN THE NORTHWEST CORNER  
AND THE NORTH 1/4 CORNERS OF SECTION 26, T.21 S., R.16 E., S.L.B. & M.

WELL LATITUDE: 38°57'47.3939"N OR 38.9631649  
WELL LONGITUDE: 110°07'18.9532"W OR -110.1219314

## Savage Surveying, INC.

Ryan W. Savage, PLS

PO BOX 102  
279 S. 100 W  
RICHMOND, UT 84701  
PHONE: 330-995-8836  
FAX: 435-898-9835  
CELL: 435-308-7346



## WELL LOCATION PLAT FOR

### DELTA PETROLEUM

DESIGNED BY	DRAWING NAME	SCALE	DATE	PROJECT NUMBER	SHEET NUMBER
T.M.	LOCATION	1" = 1000'	02-07-07	0702-0155	1
	SURVEYED BY	CHECKED BY	DRAWN BY		
	T.K.S.	R.W.S.	D.G.		

CONFIDENTIAL

## INSTRUCTIONS

**GENERAL:** This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations.

Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

**ITEM 1:** If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

**ITEM 4:** Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

**ITEM 14:** Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

**ITEMS 15 AND 18:** If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

**ITEM 22:** Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

## NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

**AUTHORITY:** 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

**PRINCIPAL PURPOSES:** The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

**ROUTINE USE:** Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

**EFFECT OF NOT PROVIDING INFORMATION:** Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Bureau of Land Management  
Price, Moab and Monticello Field Offices, Utah  
Application for Permit to Drill  
On-Site Inspection Checklist

Company: Delta Petroleum Corp.

Well No. Greentown Federal 31-262116

Location: Sec.26, T.21S, R.16E, Lease No. UTU-84054

0

On-Site Inspection Date: 3-27-07

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR § 3100 & 43 CFR § 3160), Onshore Oil and Gas Orders, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

**A. DRILLING PROGRAM**

1. Surface Formation and Estimated Formation Tops:

Morrison-Brushy Basin	0 ft.
Morrison-Salt Wash	82 ft.
Entrada	506 ft.
Carmel	1,058 ft.
Navajo	1,223 ft.
Kayenta	1,659 ft.
Wingate	1,696 ft.
Chinle	2,159 ft.
Shinarump	1,956 ft.
Moenkopi	2,387 ft.
Sinbad ls.	1,315 ft.
White Rim	3,199 ft.
Cutler	3,564 ft.
Honaker Trail	3,789 ft.
Paradox Salt	5,847 ft.
Pinkerton Trail	10,147 ft.

2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

<u>Depth/Formation</u>	
Expected Oil Zones:	
Primary Target: Paradox Salt	5,847 ft
Secondary Targets:	
Entada	506 ft
Navajo	1,223 ft
Wingate	1,696 ft
Shinarump	1,956 ft
Sinbad ls.	1,315 ft
White Rim	3,199 ft
Cutler	3,564 ft
Honaker Trail	3,789 ft

**Expected Gas Zones:**

**Primary Target: Paradox Salt 5,847 ft**

**Secondary Targets:**

Entada	506 ft
Navajo	1,223 ft
Wingate	1,696 ft
Shinarump	1,956 ft
Sinbad Ls.	1,315 ft
White Rim	3,199 ft
Cutler	3,564 ft
Honaker Trail	3,789 ft

**Expected Water Zones:**

**Primary Target:**

Entada	506 ft
Navajo	1,223 ft
Wingate	1,696 ft
Shinarump	1,956 ft
Sinbad Ls.	1,315 ft
White Rim	3,199 ft
Cutler	3,564 ft
Honaker Trail	3,789 ft

**Expected Mineral Zones: Salt – Paradox Salt 5,847 ft**

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to BLM. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment -include schematics of the BOP and choke manifold, and describe testing procedures:

Exhibit ?? is a schematic diagram of the blowout preventer equipment. An 11 inch 5,000 psi Double gate Hydraulic BOP with one (1) blind ram and one (1) pipe ram and Annular Preventer; equipped with 5,000 psi manual choke manifold. The BOP will be tested and charted using BOP tester and test plug to 5,000 psi for 10 minutes. The Annular Preventer will be tested to 2,500 psi for 10 minutes. All test will be recorded in the Driller's log book. Pipe rams will be function tested daily and blind rams tested on each trip .

BOP systems will be consistent with API RP 53 and Onshore Oil and Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment potentially subject to pressure will be conducted before drilling the surface casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain in use until the well is completed or abandoned. Ram preventers shall be inspected and operated each trip (no more than once a day is necessary), and annular preventers shall be inspected and operated weekly to ensure good mechanical working order. These inspections shall be recorded in the drilling log and in the daily drilling report.

4. Casing Program and Auxiliary Equipment -include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned):

<u>Depth</u>	<u>Hole Size</u>	<u>Casing Size</u>	<u>New/Old</u>
40 ft.	30 in.	24 in. conductor	New
1,450 ft.	20 in.	16 in. 65# H40 STC	New
5,800 ft.	14 3/4 in.	10 3/4 in. 45.5# N80 STC	New

5. Cement -include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up. If stage cementing, describe techniques:

Depth 40 ft. Redi Mix Cmt. to top 0 ft.  
Depth 1,450 ft.

Tail: 1500sacks type G Weight: 15.6 #/gal Yield: 1.16 cu.ft./sk.  
Cmt. top 0 ft.

Depth 5,800 ft

Lead: 1835 sacks 85/15/8 Weight: 12.5 #/gal Yield: 2.14 cu.ft./sk.  
Cmt. top 0 ft.

Tail: 600 sacks type III Weight: 14.6 #/gal Yield: 1.41 cu.ft./sk.  
Cmt. top 4,300 ft.

Depth 10,250 ft.

Lead: 150 sacks 50/50/6 Poz G Weight: 13.5 # Yield: 1.5 cu. ft/sk.

Tail: 1460 sacks G Weight: 14.8# Yield: 1.3 cu. ft/sk.

Surface casing shall be cemented back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string.

6. Mud Program and Circulating Medium -include mud components and weights. When air drilling, also include: length and location of blooie line; description of the auto ignitor; description of the deduster equipment; and amounts, types and characteristics of stand-by mud:

The type and characteristics of the proposed circulating muds

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>
1,450 ft.	Air/Water	+/- 8.5	+/- 28	nc
5,800 ft.	Air	+/- 8.5	+/- 28	nc
10,250 ft.	NaCl Mud	+/- 13.5	+/- 44	+/- 10

Due to potential for contamination of usable quality water aquifers, chromates are banned from Federal leases.

Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonable be expected.

7. Coring, Logging and Testing Program

Testing: DST's are not planned

Logging: End of Surface casing – TD

Coring: None

Initial opening of drill stem test tools will be restricted to daylight hours.

8. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards -include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones:

No abnormal bottom hole pressures or temperatures have been noted or reported in wells drilled in the area nor at the depths anticipated in this well. Bottom hole pressure is expected is 0.700 psi/ft psi max. No hydrogen sulfide or other hazardous gases or fluids have been found, reported or are known to exist at these depths in the area.

9. Any Other Aspects of this Proposal that should be addressed:

None

**B. THIRTEEN POINT SURFACE USE PLAN**

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. Proposed route to location (submit a map depicting access and well location, 1:100,000 scale). See attached project maps.
- b. Location of proposed well in relation to town or other reference point:  
The well location is approximately 3 miles south of Green River, Utah.
- c. Plans for improvement and/or maintenance of existing roads: Existing county roads will be upgraded and maintained as necessary.
- d. Other: NA

2. Planned Access Roads (1:24,000 scale: 12 inch surveyor stakes):

- a. Location (centerline): Refer to Construction Pad Layout.
- b. Length of new access to be constructed: 210 feet (0.04 acres) on lease
- c. Length of existing roads to be upgraded: 0
- d. Maximum total disturbed width: 25 feet
- e. Maximum travel surface width: 12 feet without turnouts
- f. Maximum grades:
- g. Turnouts: 0
- h. Surface materials: 6 inch minus granular barrow
- i. Drainage (crowning, ditching, culverts, etc): one culvert needed, necessary drainage will be constructed.
- j. Cattleguards: none

k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM right-of-way is required: None

l. Other:

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by BLM in advance.

If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.

If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.

If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the BLM.

If the well is productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells -on a map (1:24,000 scale), show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See project maps.

4. Location of Production Facilities:

- a. On-site facilities: If the well is a producer on-site facilities will be applied for and installed.
- b. Off-site facilities: None
- c. Pipelines: If the well is a producer pipelines will follow the proposed access route.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Colors will match the surrounding soils and vegetation.



All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit as specified in Onshore Oil and Gas Order No. 7. If water is produced from the well, an application in conformance with Order No. 7 must be submitted.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Municipal water from Green River, Utah

A temporary water use permit for this operation will be obtained from the Utah State Engineer in Price, Utah at (801) 637-1303

Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Materials needed will be obtained from a private source.

The use of materials under BLM jurisdiction will conform to 43 CFR § 3610.2-3.

7. Methods of Handling Waste Disposal:

Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc.

The reserve pit will be lined with (native material, bentonite, synthetic material): The pit will be lined with a synthetic liner 12 mil thick or greater (as per UDOGM guidelines).

The reserve pit will be located: See Pad Construction Diagram. The pit walls will be sloped at no greater than 2 to 1.

The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

The reserve pit will be used for the disposal of waste mud and drill cuttings. All borehole fluids will be contained in the reserve pit. All appropriate measures will be taken to prevent leakage into the substratum or onto the surface. All appropriate measures will be taken to prevent overflow, and a minimum of 2 feet of freeboard will be maintained in the reserve pit. It will be constructed on the well pad (see Pad Construction Diagram).

Wastewater will not be discharged on the surface at this site and the drilling of the well will not require a wastewater management plan.

All rubbish and debris will be kept in containers on the well site, and will be hauled to an approved disposal site upon completion of drilling and completion operations and as needed during such operations. There will be no chemical disposal of any type.

Self-contained, portable toilets will be used for human waste, and the waste will be disposed at an approved landfill. Sanitation will comply with local and state regulations for the disposal of human waste.

8. Ancillary Facilities: Trailers, garbage containers and portable toilets.

9. Well Site Layout -depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Pad Construction Diagram.

All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR § 3162.6.

Access to the well pad will be from: Pad Construction Diagram.

The blooie line will be located: At least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: water injection

10. Plans for Restoration of the Surface:

The top 2 to 3 inches of topsoil material will be removed from the location and stockpiled separately on: adjacent to the pad

Topsoil along the access road will be reserved in place adjacent to the road.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

The abandonment marker will be one of the following, as specified by BLM:

- 1) at least four feet above ground level,
- 2) at restored ground level, or
- 3) below ground level.

In any case the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

Reclamation of the surface will commence as soon after construction, drilling and well completion are concluded, as is practicable. In the event of a dry hole, the drill site and roadways will be restored to their original condition within 180 days after plugging date of the well, depending on weather and other extenuating circumstances.

All junk, debris, or other foreign material must be removed before initiating any dirt work to restore the location. The fence around the reserve pit will be maintained in good repair during the drilling operations and will be completed by constructing the fourth side while the pit is drying. It will remain in place until the pit is completely dry and the site restoration begins. All fences will four strand barbed wire.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed. All stockpiled topsoil, in proportion the area being reclaimed, will be used in reclaiming areas without an on-going operation.

Site reclamation will include:

- Removing the road base material from the access road and any other surface that may be covered by such material;
- Recontouring the location to approximate natural contours, to the extent practicable; evenly redistributing stockpiled topsoil over the recontoured areas;
- Scarifying recontoured areas, including the access road, by use of a disk or harrow prior to seeding; and
- Drilling or broadcasting seeds.

The seed mix and rate used will be that recommended by the Authorized Officer. Seed will be drilled where-ever possible. If the seed is broadcast, then a harrow or some other implement will be dragged over the seeded area to assure seed coverage. The seed will be certified, pure live seed, and the seed tags will be available if requested by the Authorized Officer. Certified weed free seed will be used to rehabilitate reclaimed land.

All hillsides and other places where the contractor has moved earthen materials to facilitate operations, will be restored to as near original condition as practical. The surface of the re-contoured land will be left in a slightly roughened condition to collect precipitation and to promote seed germination. The site will be fenced with four strand barbed until vegetation is reestablished.

Road base material, used in the construction of the access road and pad, will be removed from the site and disposed in a proper manner. If the reserve pit has adequate capacity, then some or all of the gravel will be buried in the reserve pit, provided that the gravel is not contaminated by oil or other waste materials. The access road will be recontoured using of an excavator or similar equipment, rather than simply ripping the surface. Culverts will be removed from the site and disposed in an approved landfill. The concrete cellar will be removed from the site and similarly disposed in a landfill, or with the approval of the

Authorized Officer may be broken down into small pieces and buried during the Recontouring on the site.

During the life of the project and until the site is released from liability for reclamation, the project will be inspected at least annually for noxious weeds. If invasive noxious weeds are found, the weeds will be treated to eliminate further reproduction (spread), and treatment shall continue until the weeds have been eradicated. If noxious weeds are found, the BLM will be notified of their occurrence.

11. Surface and Mineral Ownership:

The surface of the proposed well site is federally owned and is administered by the Bureau of Land Management, United States Department of Interior.

12. Other Information:

- a. Archeological Concerns: A cultural survey was completed by Western Land Services and none were identified.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the BLM Field Office. Within five (5) working days, the BLM will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the BLM to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the BLM are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the BLM will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The BLM will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the BLM that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. Other:

Heavy equipment, used to construct and rehabilitate the well pad and access road, will be cleaned and/or sprayed to remove any noxious or invasive weeds and seeds, prior to being moved to the project site. Any other equipment and vehicles, that have been used in other locations, where noxious weeds or seeds could have attached to the equipment, will also be sprayed and/or cleaned.

Any accumulation of hydrocarbons in the reserve pit will be removed and recovered for sale unless it is determined by the Authorized Officer to be waste oil. All waste oil will be disposed of properly at approved facilities.

For reclamation, the polyurethane liner in the reserve pit, which is exposed above the cuttings, will be cut, removed from the site, and disposed in an authorized landfill. The reserve pit will be backfilled to slightly above grade to allow for settling of the unconsolidated fill material.

All equipment and vehicles will be confined to the access roads and well pad.

Any facilities in an existing right of way that are damaged as a result of the oil and gas operations will be repaired or replaced.

Fire suppression equipment will be available to suppress any wildfires caused by construction or related activities. In the event of a wildfire, the Moab Fire Center will be notified (435)259-1850.

13. Lessee's or Operator's Representative and Certification

Representative:

Name: Terry Hoffman  
Title: Engineer Tech. Manager  
Address: 370 17<sup>th</sup> Street, Suite 4300  
Denver, CO 80202  
Phone No.: (303)575-0323 Cell: (303)250-0619

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Delta Petroleum and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under BLM bond no. UTB 000200. This statement is subject to the provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature

Title

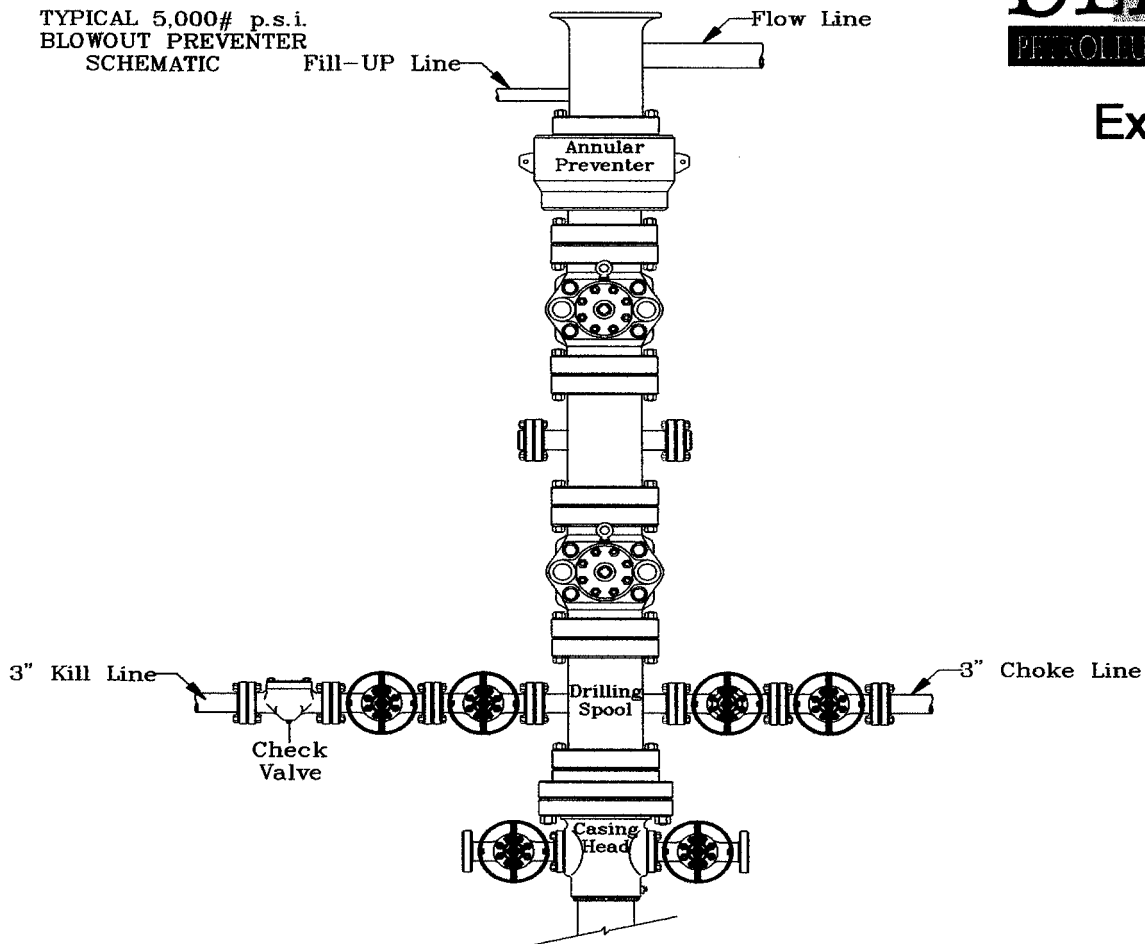
Date

# 5,000 psi/11" Bop Equipment and Manifold

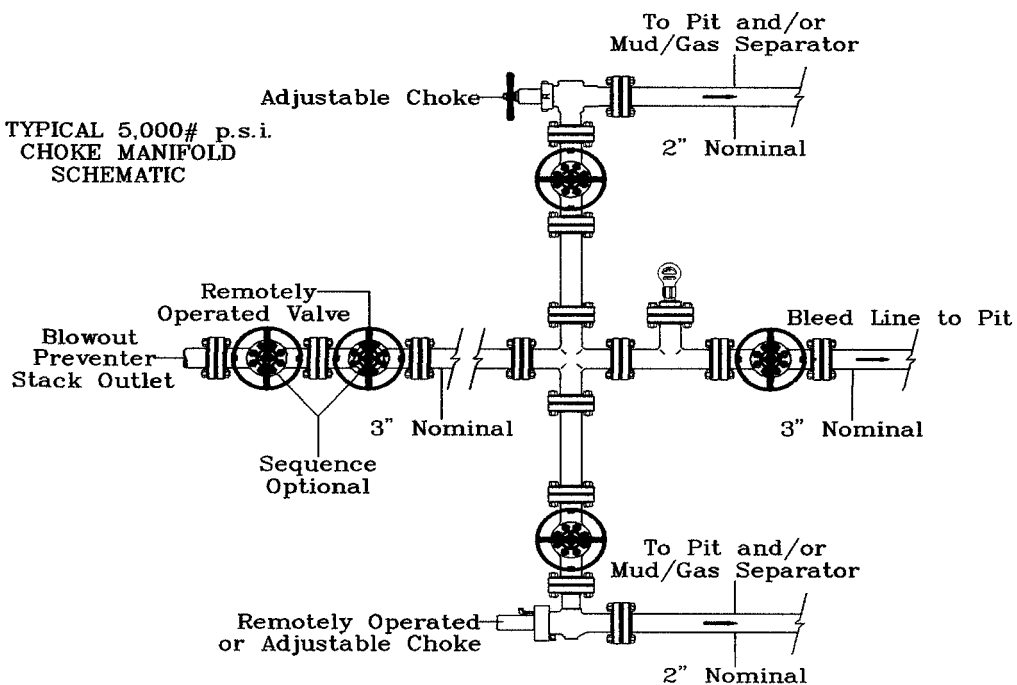


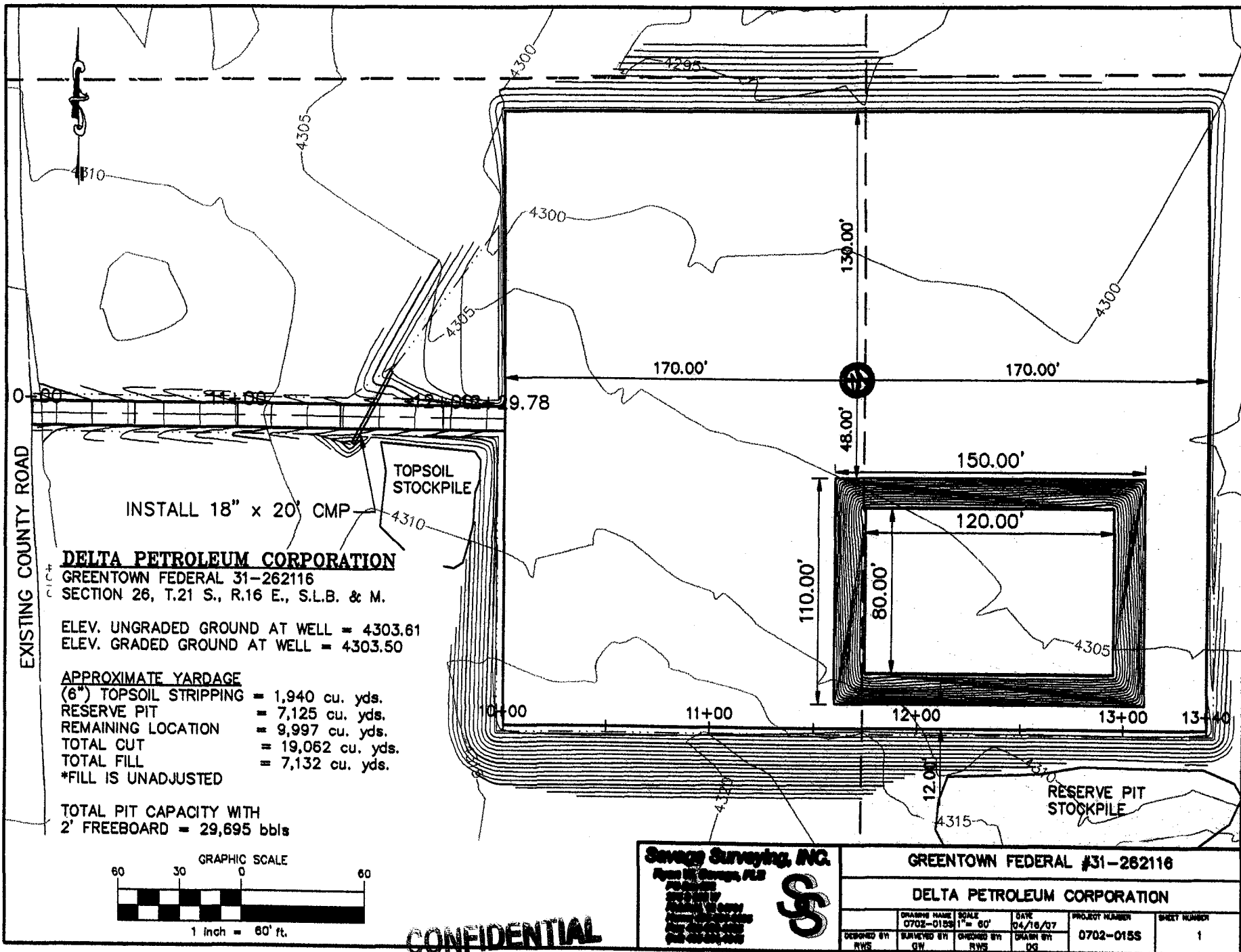
## Exhibit 1

TYPICAL 5,000# p.s.i.  
BLOWOUT PREVENTER  
SCHEMATIC

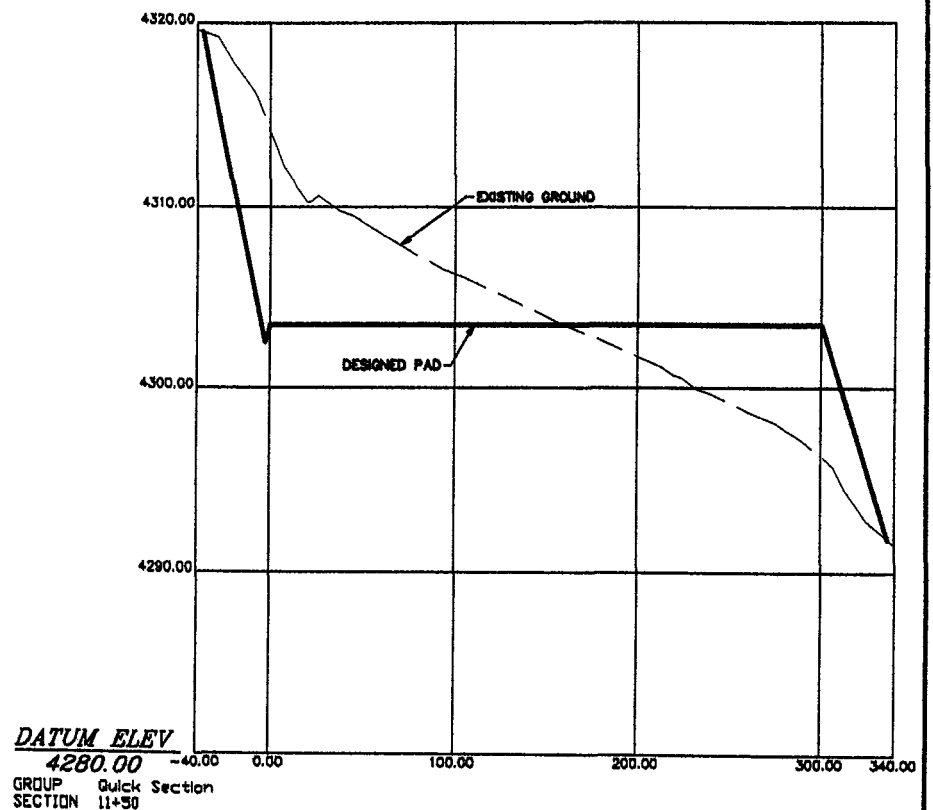
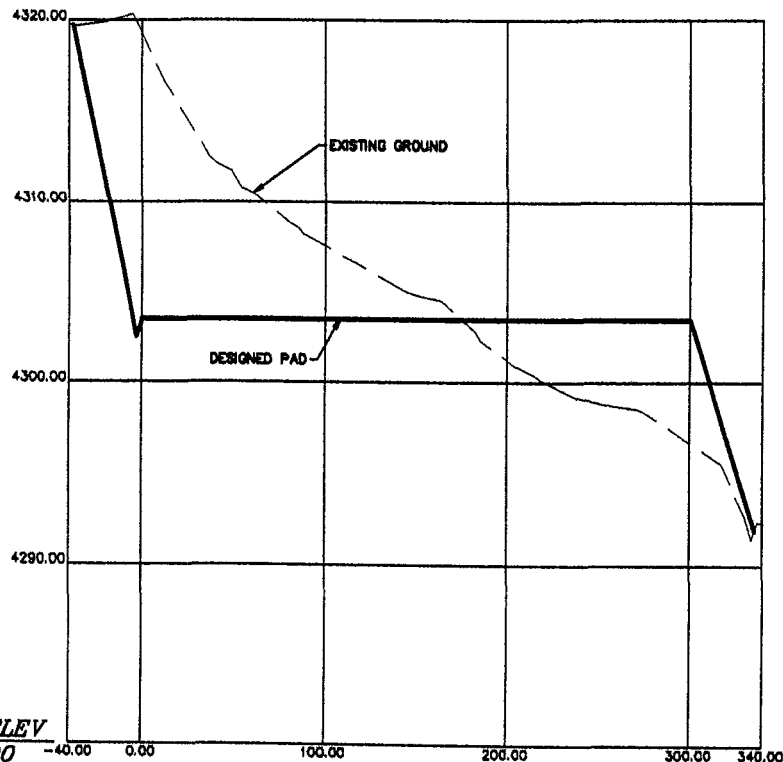


TYPICAL 5,000# p.s.i.  
CHOKE MANIFOLD  
SCHEMATIC

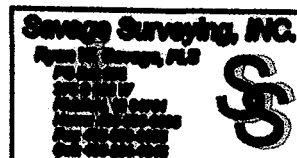








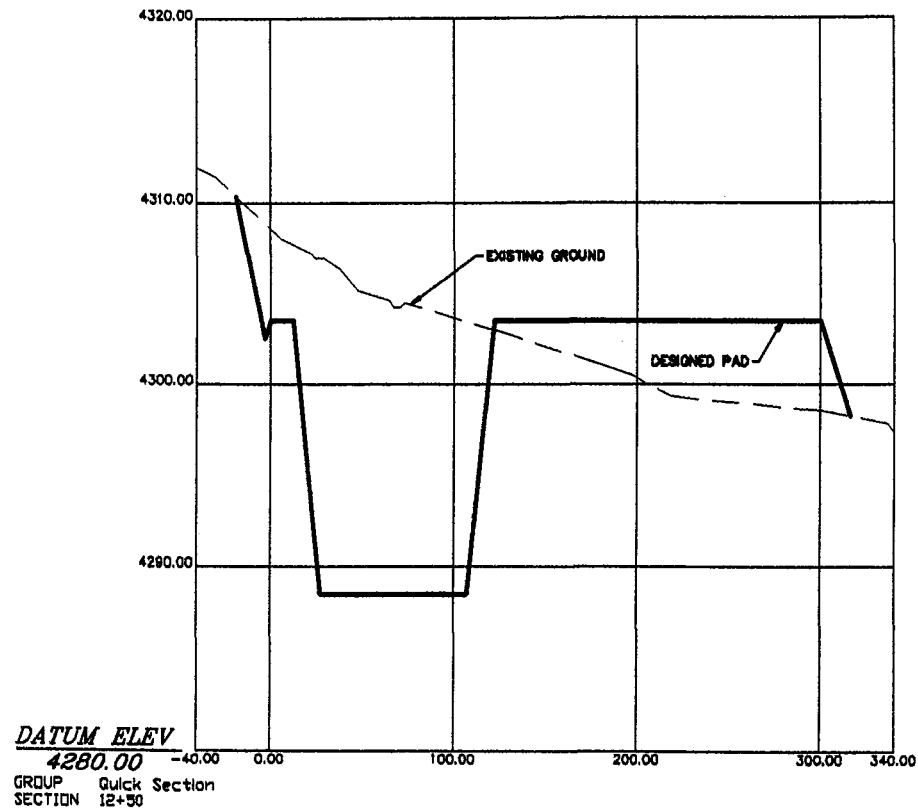
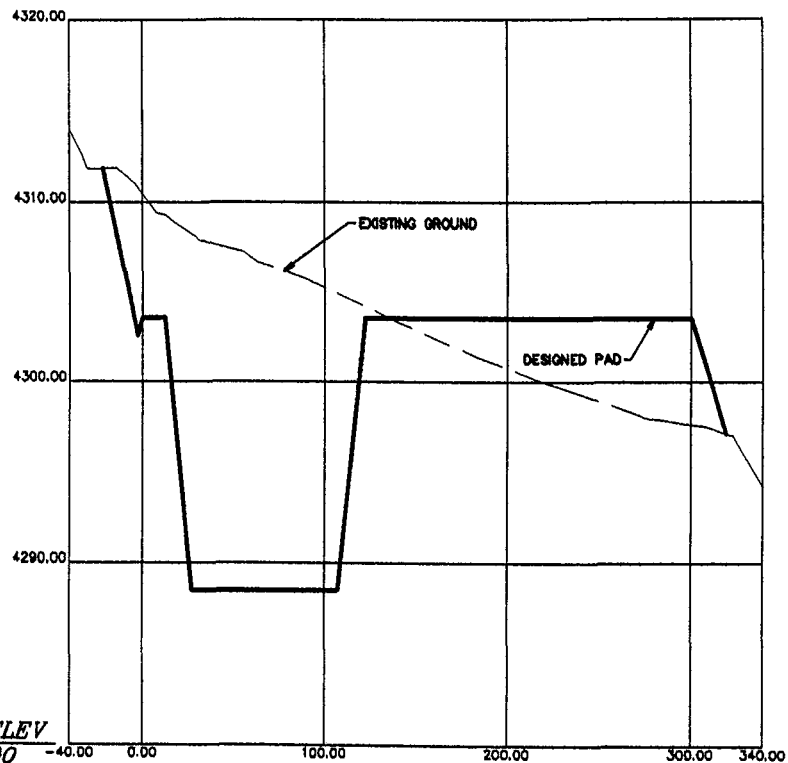
**CONFIDENTIAL**



GREENTOWN FEDERAL #31-262116

DELTA PETROLEUM CORPORATION

DESIGNED BY	SURVEYED BY	DRAWN BY	DATE	PROJECT NUMBER	SHEET NUMBER
RWS	GW	RWS	04/16/07	0702-015S	CS 2



CONFIDENTIAL

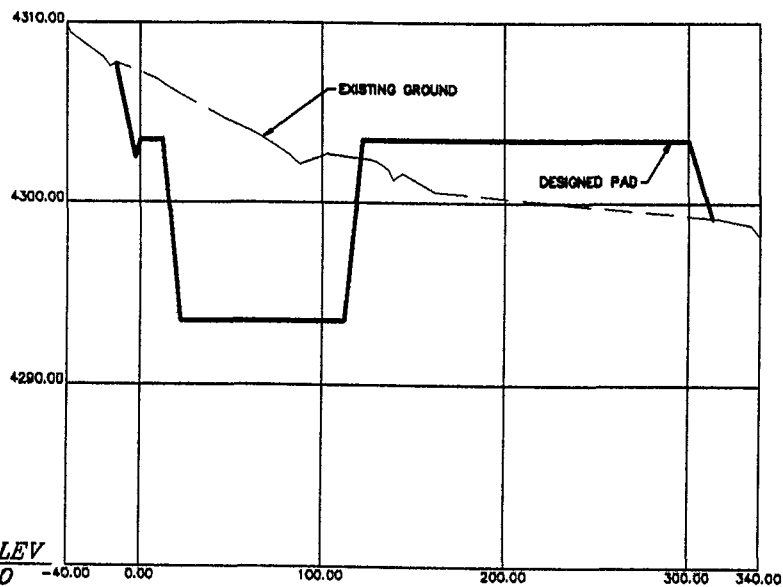
**Savage Surveying, INC.**  
 Ryan W. Savage, PLS  
 Professional  
 Surveyor  
 License No. 10000  
 State of North Carolina  
 252-433-1111



GREENTOWN FEDERAL #31-262116

DELTA PETROLEUM CORPORATION

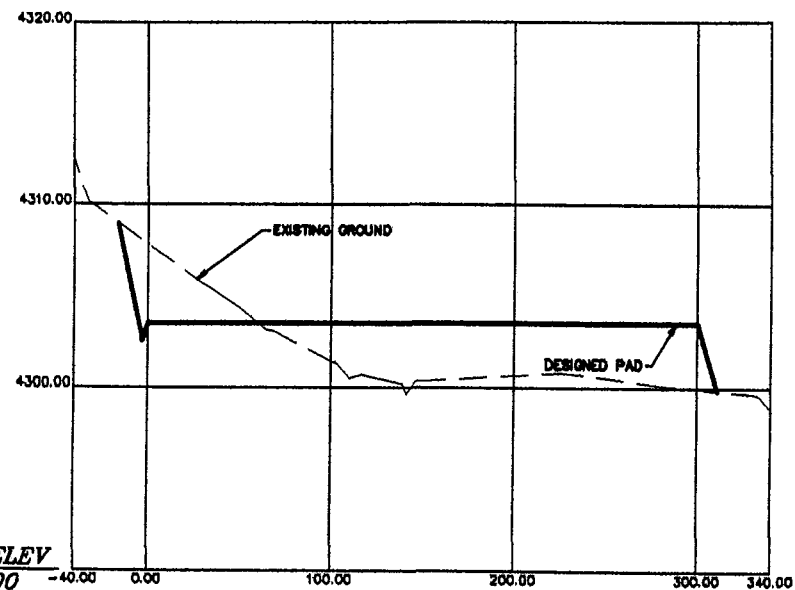
DESIGNED BY	DRAWING NAME	SCALE	DATE	PROJECT NUMBER	SHEET NUMBER
RWS	0702-015S	100H/10V	04/18/07	0702-015S	CS 3
	SURVEYED BY	CHECKED BY	DRAWN BY		
	QW	RWS	DS		



**DATUM ELEV**

**4280.00**

GROUP Quick Section  
SECTION 13+00



**DATUM ELEV**

**4290.00**

GROUP Quick Section  
SECTION 13+40

**CONFIDENTIAL**

**Savage Surveying, INC.**  
 Surveying & Mapping  
 10000 N. 10th Ave.  
 Suite 100  
 Tampa, FL 33613  
 Phone: 813-988-1111  
 Fax: 813-988-1112  
 Web: www.savesurveying.com

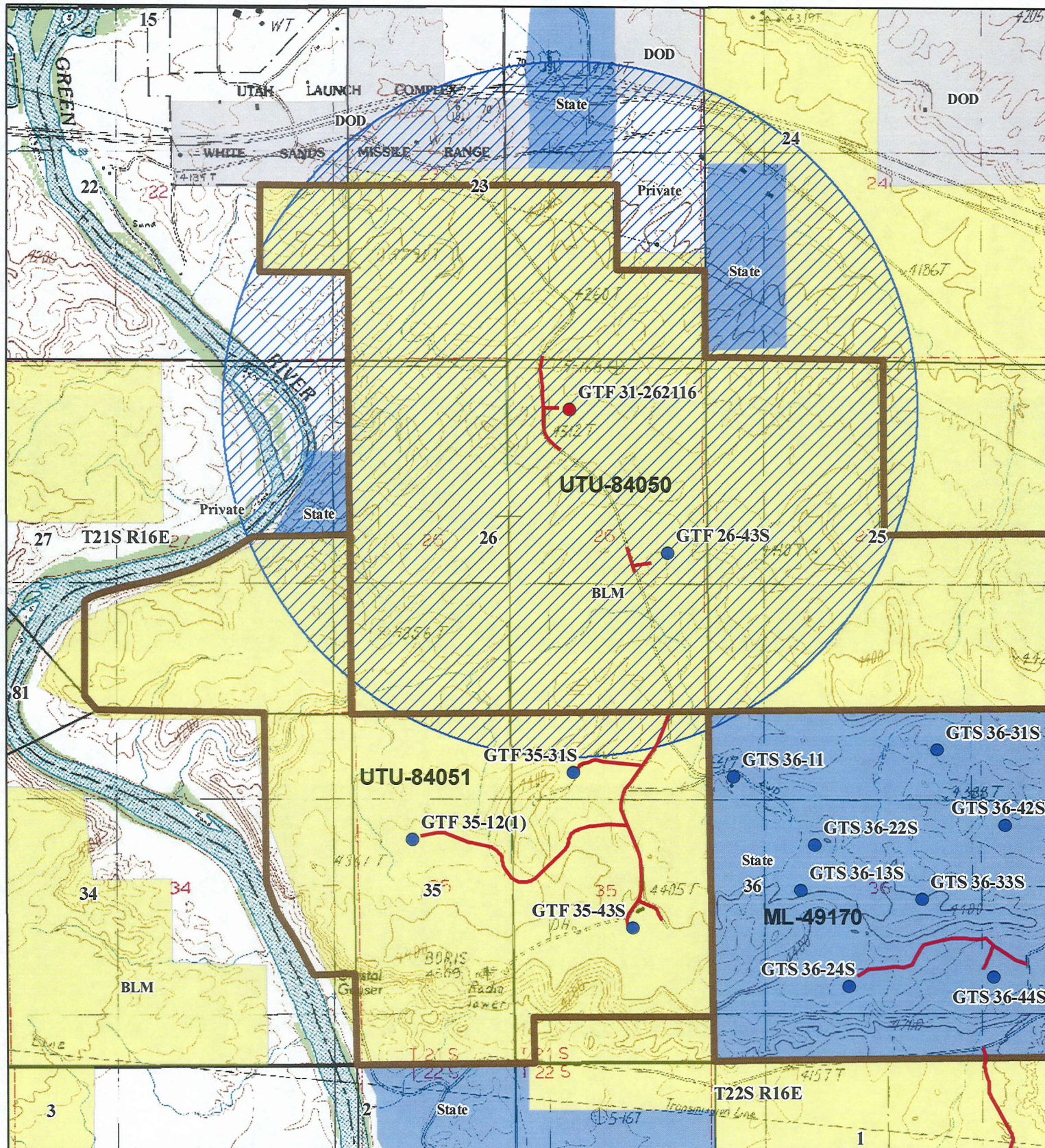


**GREENTOWN FEDERAL #31-262116**

**DELTA PETROLEUM CORPORATION**

DESIGNED BY	SURVEYED BY	CHECKED BY	DRAWN BY	PROJECT NUMBER	SHEET NUMBER
RWS	GW	RWS	DG	0702-015S	CS 4





# Legend

- |                   |           |
|-------------------|-----------|
| ● Other Wells     | ■ NPS     |
| ● Well            | ■ PRIVATE |
| — Access Roads    | ■ STATE   |
| ▭ Leases          | ■ TRIBAL  |
| ▨ 1mi Well Buffer | ■ USFS    |
| ■ BLM             | ■ USFWS   |
| ■ DOD             |           |



1:24,000

**CONFIDENTIAL**

Delta Petroleum

Greentown Federal 31-262216



WESTERN LAND SERVICES

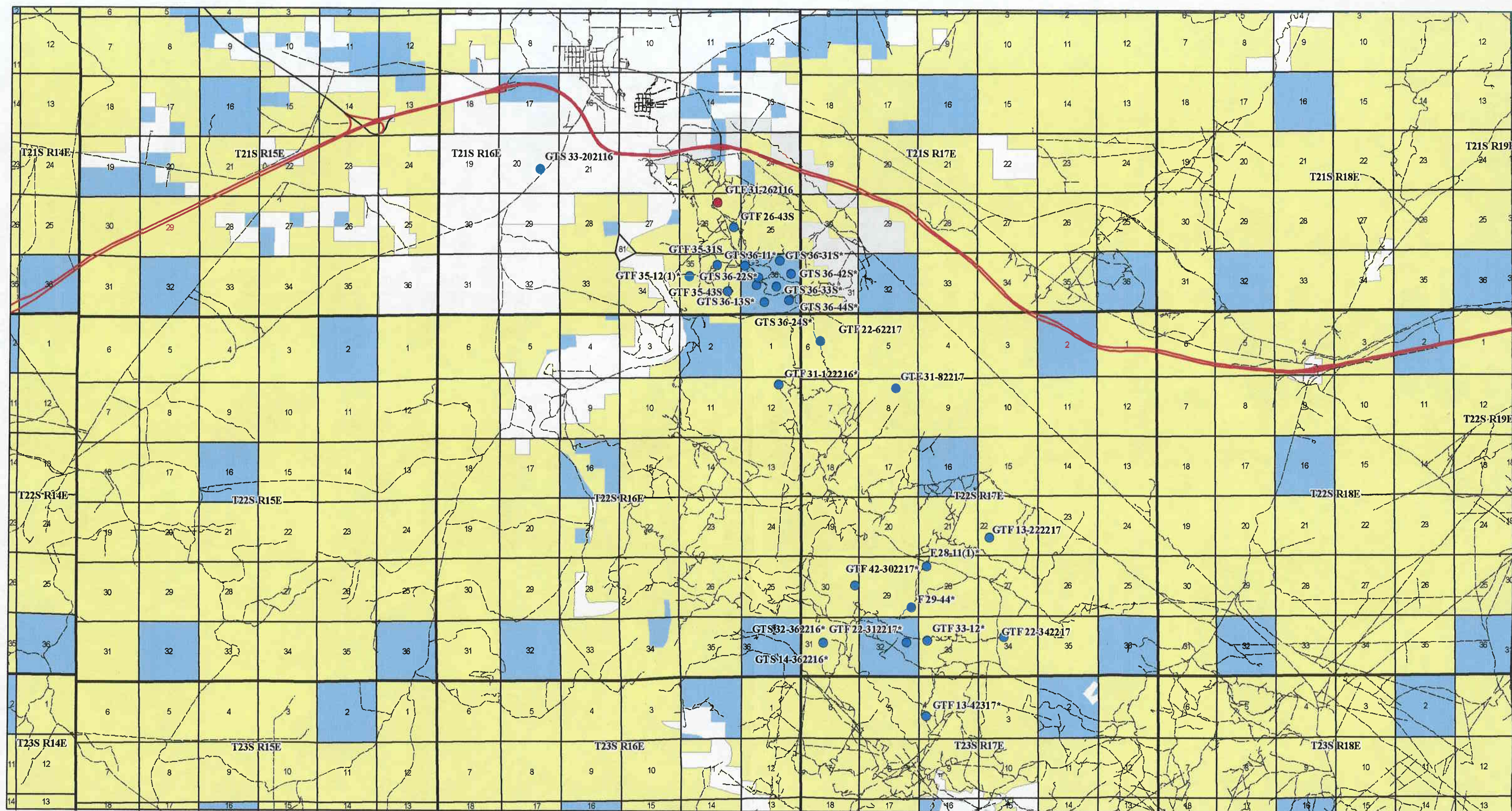
Richfield, UT 84701 (435) 896-5501

**CONFIDENTIAL**

Prepared By: DTJ

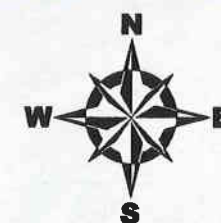
Date: July 5, 2007





### Legend

- |                       |                   |         |           |          |
|-----------------------|-------------------|---------|-----------|----------|
| ● Other Well Location | — US HWY          | ■ BLM   | ■ NPS     | ■ Tribal |
| ● Well                | — SR              | ■ DOD   | ■ Private | ■ USFS   |
| — Interstate          | - - - Other Roads | ■ Water | ■ State   | ■ USFWS  |



1:100,000

**CONFIDENTIAL**

**Delta Petroleum**

**Greentown Federal 31-262216**



WESTERN LAND SERVICES  
Richfield, UT 84701 (435) 896-5501

**CONFIDENTIAL**

Prepared By: [Redacted] Date: July 5, 2007



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/09/2007

API NO. ASSIGNED: 43-019-31548

WELL NAME: GREENTOWN FED 31-262116

OPERATOR: DELTA PETROLEUM CORP ( N2925 )

PHONE NUMBER: 303-575-0323

CONTACT: TERRY HOFFMAN

PROPOSED LOCATION:

NWNE 26 210S 160E

SURFACE: 0854 FNL 1996 FEL

BOTTOM: 0854 FNL 1996 FEL

COUNTY: GRAND

LATITUDE: 38.96258 LONGITUDE: -110.1216

UTM SURF EASTINGS: 576105 NORTHINGS: 4312784

FIELD NAME: WILDCAT ( 1 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-84050

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRDX

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. UTB000200 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. MUNICIPAL )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit: \_\_\_\_\_

☒ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

\_\_\_ R649-3-3. Exception

\_\_\_ Drilling Unit

Board Cause No: \_\_\_\_\_

Eff Date: \_\_\_\_\_

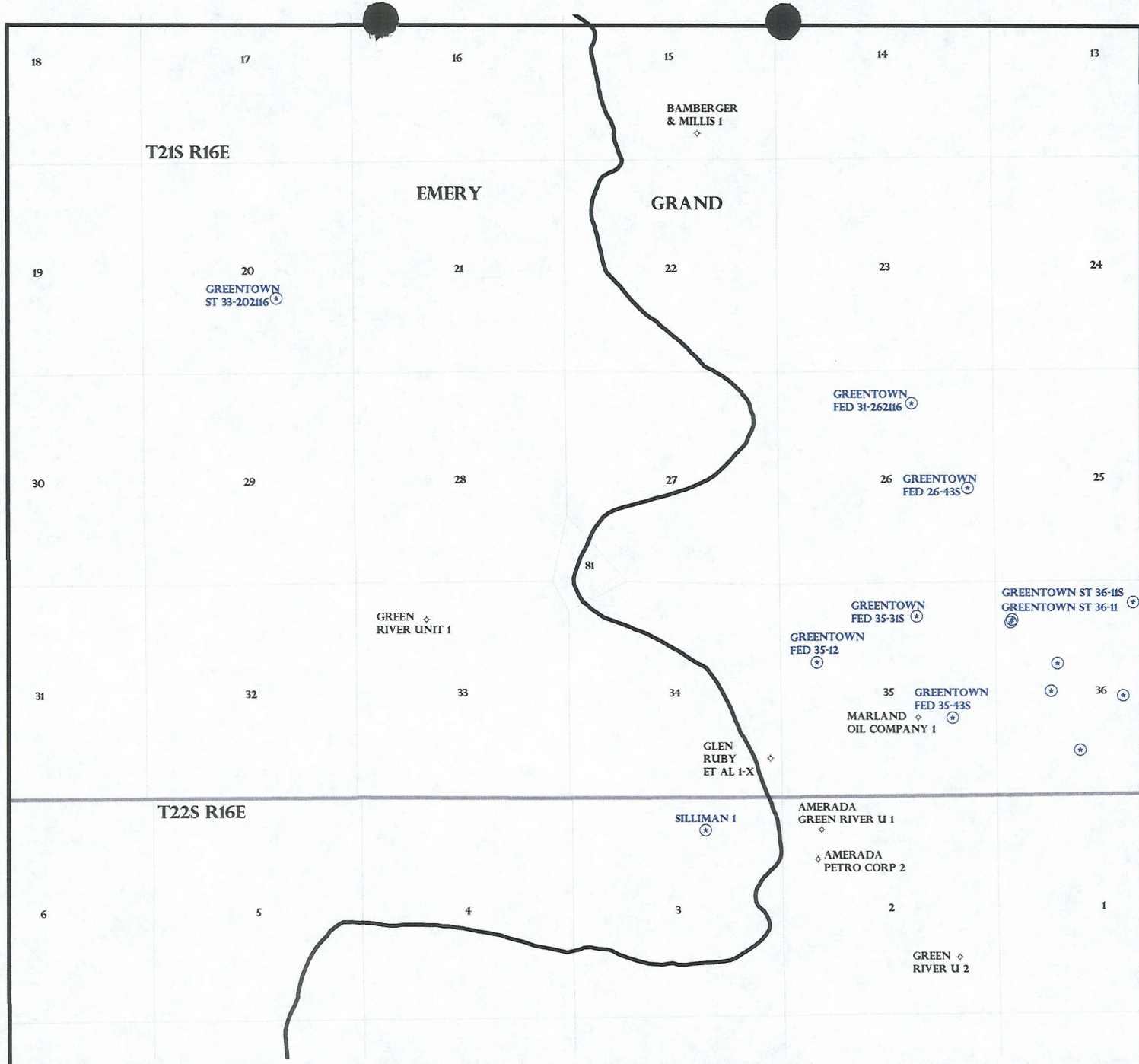
Siting: \_\_\_\_\_

\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

1. Federal Approval  
2. Spacing Strip



OPERATOR: DELTA PETRO CORP (N2925)

SEC: 26,35 T.21S R.16E

FIELD: WILDCAT (001)

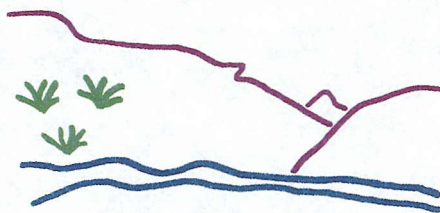
COUNTY: GRAND

SPACING: R649-3-2 / GENERAL SITING

**Field Status**  
 ABANDONED  
 ACTIVE  
 COMBINED  
 INACTIVE  
 PROPOSED  
 STORAGE  
 TERMINATED

**Unit Status**  
 EXPLORATORY  
 GAS STORAGE  
 NF PP OIL  
 NF SECONDARY  
 PENDING  
 PI OIL  
 PP GAS  
 PP GEOTHERML  
 PP OIL  
 SECONDARY  
 TERMINATED

**Wells Status**  
 GAS INJECTION  
 GAS STORAGE  
 LOCATION ABANDONED  
 NEW LOCATION  
 PLUGGED & ABANDONED  
 PRODUCING GAS  
 PRODUCING OIL  
 SHUT-IN GAS  
 SHUT-IN OIL  
 TEMP. ABANDONED  
 TEST WELL  
 WATER INJECTION  
 WATER SUPPLY  
 WATER DISPOSAL  
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
 DATE: 12-JULY-2007



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

July 12, 2007

Delta Petroleum Corporation  
370 17th St., #4300  
Denver, CO 80202

Re: Greentown Federal 31-262116 Well, 854' FNL, 1996' FEL, NW NE, Sec. 26,  
T. 21 South, R. 16 East, Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31548.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Grand County Assessor  
Bureau of Land Management, Moab Office





Operator: Delta Petroleum Corporation  
Well Name & Number Greentown Federal 31-262116  
API Number: 43-019-31548  
Lease: UTU-84050

Location: NW NE                      Sec. 26                      T. 21 South                      R. 16 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office      (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**CONFIDENTIAL**

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-84050
2. NAME OF OPERATOR: Delta Petroleum Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 370 17th st. Suite 4300 CITY Denver STATE CO ZIP 80021		7. UNIT or CA AGREEMENT NAME: N/A
PHONE NUMBER: (303) 575-0397		8. WELL NAME and NUMBER: Greentown Federal 31-262116
4. LOCATION OF WELL FOOTAGES AT SURFACE: 854' FNL & 1996' FEL		9. API NUMBER: 4301931548
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 26 21S 16E S		10. FIELD AND POOL, OR WILDCAT: Exploratory
COUNTY: Grand		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Extend APD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Delta Petroleum Corporation requests the renewal of the Permit to Drill the above referenced well

From: 7/12/2008

To: 7/11/2009

Approved by the  
Utah Division of  
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 7.7.2008

Initials: KS

Date: 07-01-08

By: [Signature]

NAME (PLEASE PRINT) Kate Shirley

TITLE Regulatory Technician

SIGNATURE [Signature]

DATE 6/18/2008

(This space for State use only)

RECEIVED

JUN 26 2008

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4301931548  
**Well Name:** Greentown Federal 31-262116  
**Location:** 854' FNL & 1996' FEL NWNE S26-T21S-R16E  
**Company Permit Issued to:** Delta Petroleum Corporation  
**Date Original Permit Issued:** 7/12/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Kate Shirley  
Signature

6/18/2008  
Date

**Title:** Regulatory Technician

**Representing:** Delta Petroleum Corporation

RECEIVED  
JUN 26 2008  
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 22, 2009

Delta Petroleum Corporation  
370 17<sup>TH</sup> Street Ste. 4300  
Denver, CO 80202

Re: APD Rescinded – Greentown Fed 31-262116, Sec.26, T.21S, R. 16E  
Grand County, Utah API No. 43-019-31548


Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 12, 2007. On July 1, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 22, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Moab

